

Vance County Board of Commissioners
Vance County Administration Building
122 Young Street, Suite B
Henderson, N.C. 27536



County Manager's Office
Telephone (252) 738-2001
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Kelly H. Grissom
Clerk to Board
Telephone (252) 738-2001

April 7, 2015

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925

Re: Financing of Community College Improvements by the County of Vance, North Carolina

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the County of Vance, North Carolina (the "County") hereby notifies you of its intent to enter into an installment financing agreement (the "Agreement") pursuant to Section 160A-20 of the General Statutes of North Carolina in the principal amount not to exceed \$1,000,000 to finance the cost of various community college improvements for the County (the "Project"). The obligations of the County under the Agreement will be secured by a deed of trust on all or a portion of the site of the Project, together with any improvements or fixtures located or to be located thereon.

The financial institution to provide the financing pursuant to the Agreement will be selected pursuant to a request for proposals, at which time the interest rate shall be determined for the Agreement. The County expects to obtain the approval of the North Carolina Local Government Commission on June 2, 2015 and close the financing by June 30, 2015.

If you have any questions or require any further information, please do not hesitate to contact me.

COUNTY OF VANCE, NORTH CAROLINA

By: _____

Finance Director

cc: Local Government Commission



April 10, 2015

By Certified Mail

Joint Legislative Committee on Local Government
Attention: Committee Chairs
North Carolina General Assembly
16 West Jones Street
Raleigh, NC 27601

Fiscal Research Division
Attention: Director
North Carolina General Assembly
300 North Salisbury St., Suite 610
Raleigh, NC 27603

**Notice to the Joint Legislative Committee on Local Government—
Proposed financing by North Carolina Eastern Municipal Power Agency**

To the Committee:

I am the Chief Financial Officer of North Carolina Eastern Municipal Power Agency, a joint agency formed pursuant to Chapter 159B of the North Carolina General Statutes (the "Power Agency"). It is my understanding that this Committee, pursuant to N.C. Gen. Stat. Sections 120-157.1 and 120-157.2, has been established to review and monitor, with certain exceptions, local government capital projects that are required to go before the North Carolina Local Government Commission (the "LGC"), and require debt to be issued in an amount exceeding \$1,000,000. Although the Power Agency is not a local government, as that term is used in Section 120-157.2, we are providing you the information below as a courtesy.

Power Agency expects to seek approval from the LGC at its June 2, 2015 meeting for the issuance of up to \$550 million of revenue bonds to pay a portion of the defeasance costs associated with the sale of generating assets jointly-owned with Duke Energy Progress (DEP) back to DEP. The statutory authority to issue these bonds was approved by Governor McCrory on April 2, 2015 when he signed Senate Bill 305.

Purpose of the Debt	To provide for the defeasance costs associated with the sale of jointly-owned generating assets back to Duke Energy Progress (DEP)
Scope of the Debt	Defeasance costs
Debt Requirements	\$550,000,000
Means of Financing	Revenue Bonds
Source of Repayment for the Debt	Revenue from debt service support contracts with each of the Power Agency's member cities

Power Agency's issuance of the revenue bonds is subject to the approval of the LGC. The revenue bonds, when and if issued, will be secured only by payments from the Power Agency's member cities to Power Agency under their Debt Service Support Contracts. Neither the faith and credit nor the taxing power of the State of North Carolina or of any Power Agency member city is pledged for the payment of the revenue bonds.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Tunis', written in a cursive style.

Tim Tunis
Chief Financial Officer

cc: Greg Gaskins, Secretary of the LGC (also by first-class mail)
Graham Edwards, Chief Executive Officer, ElectriCities (by electronic mail)
David Barnes, General Counsel, ElectriCities (by electronic mail)
Steven Turner, Hawkins, Delafield & Wood, Bond Counsel (by electronic mail)